

DPCC Fact Sheet: Andrew Puzder would be a disaster for workers as Secretary of Labor

Topline Message Guidance:

- Andrew Puzder represents another broken promise from President-elect Trump, who campaigned on helping workers and families.
- Puzder, a fast-food CEO, opposes higher wages for workers and opposes overtime pay for millions.
- Puzder's anti-worker positions have made him a fortune, but they have made it hard for his employees to make ends meet.
- As Secretary of Labor, Puzder would support anti-worker policies that rig the system against all workers the same way he has against his employees.
- Puzder's record of sexist advertisements and extreme positions on women's reproductive health shows he will be bad for women workers and their families.

<u>Puzder Supports an Anti-worker Agenda That Protects Profits for CEOs and Big</u> <u>Corporations at the Expense of American Workers and Their Families</u>

Puzder made his career in an industry that is known for cheating workers out of wages and overtime. The restaurant industry accounted for nearly 50% of low-wage enforcement cases last year. In 2015, 4,787 out of 11,184 enforcement actions by the Department of Labor's Wage and Hour division were in the restaurant industry. Puzder has repeatedly fought to ensure that big corporations can maximize their profits from franchisees with as little responsibility as possible for how workers at the franchises are treated. [Politico, 12/08/16; Senate HELP Committee, 1/17]

Puzder strongly opposes any increase in the minimum wage. Despite research that shows increasing the minimum wage would lift millions of American families out of poverty, Puzder has repeatedly argued against any efforts to raise the minimum wage. Puzder claims that raising the minimum is a "negative for the economy", "hurts the workers it is supposed to help", and is "a big mistake". [Transcript, Trump press conference, 7/27/16; Q3 2007 CKE Restaurants Earnings Conference Call. 12/13/06; FBN Mornings With Maria, 6/23/16; Senate HELP Committee, 1/17; Washington Post, 1/4/14]

• Puzder earns more in one day than minimum wage workers make in an entire year. Puzder's total compensation in 2012 was \$4,485,055, or \$17,184 per day. In 2012, a minimum wage worker earned an average of \$15,138 per year. As a group, President-elect Trump's nominees will be the wealthiest administration in modern history. [HELP Committee, 1/17; CKE Restaurants 2012 Form 10-K/A, Accessed 12/8/16; Washington Post, 11/30/16]

Puzder opposes restoring overtime protections to American workers. Last year, the Department of Labor issued a final rule to increase the annual salary threshold below which salaried workers are guaranteed overtime pay. The new rule is expected to extend overtime protections to 4.2 million more Americans and boost wages for workers by \$12 billion over the next 10 years. Despite the economic benefits for American workers, Puzder has argued against expanding overtime pay. [White House, 5/17/16; NPR, 12/8/16; Andrew Puzder op-ed, Forbes, 5/18/16; Senate HELP Committee]

Puzder said he would prefer robots over American workers in his restaurants. In response to efforts to increase the minimum wage at the state level, Puzder has spoken in favor of fully automated restaurants and his desire to swap American workers for robots. In an interview last year, Puzder described machines as "Always polite, they always upsell, they never take a vacation, they never show up late, there's never a slip-and-fall, or an age, sex or race discrimination case." [Business Insider, 3/16/16]

Puzder Is A Millionaire CEO Who Nickel-and-Dimes Workers

Under Puzder's leadership, CKE's restaurants have a history of mistreating workers. Under Puzder, CKE has been a magnet for controversy over how it has treated its employees. Since becoming CEO in 2000, CKE Restaurants has been accused of not providing required breaks for employees, not paying the minimum wage, violating overtime pay requirements, discriminating against a female applicant with a disability, failing to reimburse general managers for work-related expenses, allowing a work environment in which sexual harassment was permitted, and not providing sufficient safety gear to prevent severe burns during cooking. The company also recently admitted to being the subject of "several potential class action lawsuits". [Daily Beast, 12/9/16; Securities and Exchange Commission, accessed 1/17]

Puzder oversaw a corporation whose restaurants routinely hurt workers in order to maximize its profits. CKE Restaurants has repeatedly been caught underpaying their workers and putting them at risk. In the past seven years, 60% of all Department of Labor investigations of Carl's Jr. restaurants found violations of the Fair Labor Standards Act. [Politico, 12/8/16; Senate HELP Committee, 1/17]

Puzder's company offered one of the worst retirement plans in the fast food industry. Under Puzder's leadership, CKE Restaurants offered its workers a high-fee 401(K) plan that was worse than plans offered by competing fast food restaurants and would require CKE employees to work nine years longer to achieve the same amount of savings. The difference between the CKE Savings Plan and the top-rated plan offered by competitors meant an average of nine years of additional work or lost savings of up to \$139,692 for CKE employees. [Brightscope Rating, accessed 12/9/16; Fortune, 12/9/16]

<u>Puzder Has a History of Objectifying Women and Undermining Reproductive</u> <u>Rights and Access to Health Care</u>

Puzder bragged about Carl's Jr.'s offensive advertisements that objectify women. As recently as 2015, Puzder bragged about the infamous Carl's Jr. advertisements that objectify women in an effort to sell hamburgers, stating, "We believe in putting hot models in our commercials, because ugly ones don't sell burgers". He went on to claim that the offensive ads reflect his own personality, saying "I like beautiful

women eating burgers in bikinis. I think it's very American." You can view some of Carl's Jr.'s offensive advertisements <u>HERE</u>. [Entrepreneur, <u>5/20/15</u>; NPFW, 1/6/17; Huffington Post, <u>10/1/15</u>]

Puzder has long advocated for extreme anti-abortion policies. In the 1980s and early 1990s, Puzder was considered the top anti-abortion lawyer in Missouri. In 1986, he was counsel to the Missouri Citizens for Life, where he helped author and get passed a state law declaring that life begins at conception and prohibiting state money being used in abortions. [New York Times, 7/9/89; Post-Dispatch, 12/8/16; HELP Committee, 1/17]